

STATE INVESTMENT BOARD
A Division of ND Retirement and Investment Office
Balance Sheet
As of 6/30/2004

	As of <u>6-30-04</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,408,965,677	\$ 1,293,274,762
INTERNATIONAL EQUITIES	619,279,473	560,765,217
DOMESTIC FIXED INCOME	1,392,735,177	1,136,499,399
INTERNATIONAL FIXED INCOME	128,573,435	110,380,109
REAL ESTATE	171,657,037	168,299,583
VENTURE CAPITAL	119,537,408	103,782,691
INVESTED CASH (NOTE 1)	<u>105,239,583</u>	<u>80,246,521</u>
TOTAL INVESTMENTS	3,945,987,790	3,453,248,282
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	17,548,500	14,239,321
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	467,673,428	264,424,819
DUE FROM OTHER AGENCIES (NOTE 3)	<u>2,453</u>	<u>673</u>
TOTAL ASSETS	<u><u>\$ 4,431,212,171</u></u>	<u><u>\$ 3,731,913,095</u></u>
LIABILITIES:		
ACCOUNTS PAYABLE	2,813,853	2,138,605
SECURITIES LENDING COLLATERAL (NOTE 2)	467,673,428	264,424,819
DUE TO OTHER AGENCIES (NOTE 4)	<u>9,390</u>	<u>19,500</u>
TOTAL LIABILITIES	470,496,671	266,582,924
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	3,465,330,171	3,333,517,815
CASH IN DURING YEAR (NOTE 5)	210,888,683	196,772,201
CASH OUT DURING YEAR (NOTE 6)	237,129,537	235,590,000
NET INCREASE (DECREASE)	<u>521,626,183</u>	<u>170,630,155</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>3,960,715,500</u>	<u>3,465,330,171</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u><u>\$ 4,431,212,171</u></u>	<u><u>\$ 3,731,913,095</u></u>

STATE INVESTMENT BOARD
A Division of ND Retirement and Investment Office
Profit and Loss Statement
For the Month Ended 6/30/2004

	Month Ended <u>6-30-04</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 8,744,820	\$ 112,109,649
SECURITIES LENDING INCOME	403,648	3,734,611
	<u>9,148,468</u>	<u>115,844,260</u>
 GAIN ON SALE OF INVESTMENTS	 28,516,469	 462,987,952
LOSS ON SALE OF INVESTMENTS	<u>23,486,135</u>	<u>297,726,160</u>
 NET GAINS (LOSSES) INVESTMENTS	 5,030,334	 165,261,792
 INVESTMENT EXPENSES	 1,515,153	 11,541,919
SECURITIES LENDING EXPENSES	290,050	2,890,764
SIB ADMINISTRATIVE EXPENSES	<u>46,947</u>	<u>363,459</u>
 NET INVESTMENT INCOME	 12,326,652	 266,309,910
 NET APPREC (DEPREC) MARKET VALUE	 42,132,059	 256,413,334
MISCELLANEOUS INCOME/(EXPENSE)	<u>(436,599)</u>	<u>(1,097,061)</u>
 TOTAL INVESTMENT INCOME	 <u>54,022,112</u>	 <u>521,626,183</u>
 NET INCREASE (DECREASE)	 <u>\$ 54,022,112</u>	 <u>\$ 521,626,183</u>

STATE INVESTMENT BOARD
Notes to Financial Statements
June 30, 2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company or a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of the RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative or contract fees and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at either The Northern Trust Company or the Bank of North Dakota during the current fiscal year.